

Message Text

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ORIGIN NEA-10

INFO OCT-01 AF-10 EUR-12 EA-07 IO-13 ISO-00 SS-15
EB-07 L-03 COME-00 SIG-01 H-01 SP-02 USIA-06
AID-05 NSC-05 EPG-02 TRSE-00 STR-04 OMB-01 CEA-01
CIAE-00 INR-07 NSAE-00 /113 R

DRAFTED BY NEA:SSOBER:BDF
APPROVED BY THE ACTING SECRETARY
NEA:ALATHERTON, JR.
EB:WLOCKWOOD
L/NEA:DSMALL (INFO)
COMMERCE- SMARCUSS
S/S - MR. WISNER

-----060642 231652Z /50

P R 231615Z JUN 77
FM SECSTATE WASHDC
TO AMEMBASSY ABU DHABI PRIORITY
AMEMBASSY AMMAN PRIORITY
AMEMBASSY BEIRUT PRIORITY
AMEMBASSY CAIRO PRIORITY
AMEMBASSY DAMASCUS PRIORITY
AMEMBASSY DOHA PRIORITY
AMEMBASSY JIDDA PRIORITY
AMEMBASSY KUWAIT PRIORITY
AMEMBASSY MANAMA PRIORITY
AMEMBASSY MUSCAT PRIORITY
AMEMBASSY SANA PRIORITY
AMEMBASSY TRIPOLI PRIORITY
USINT BAGHDAD PRIORITY
INFO AMEMBASSY ALGIERS
AMEMBASSY KHARTOUM
AMEMBASSY MOGADISCIO
AMEMBASSY NOUAKCHOTT
AMEMBASSY RABAT
AMEMBASSY TUNIS
AMCONSUL ALEXANDRIA
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AMCONSUL DHAHRAN
AMEMBASSY TEL AVIV
AMEMBASSY BONN
AMEMBASSY LONDON
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY ROME

AMEMBASSY TOKYO
USMISSION USUN NEW YORK

C O N F I D E N T I A L STATE 146034

FOR THE AMBASSADOR OR PRINCIPAL OFFICER FROM THE SECRETARY

E.O. 11652: GDS

TAGS: ETRD, PFOR, XF

SUBJECT: DIPLOMATIC EFFORT ON NEW U.S. BOYCOTT LEGISLATION

REF: STATE 142390

1. THE PRESIDENT SIGNED ON JUNE 22 LEGISLATION RENEWING THE EXPORT ADMINISTRATION ACT WITH NEW PROVISIONS ON THE ACTIONS OF AMERICAN FIRMS IN CASES INVOLVING FOREIGN BOYCOTTS. THIS NEW LEGISLATION ON BOYCOTTS FULFILLS A COMMITMENT BY THIS ADMINISTRATION TO SEEK A LAW THAT WOULD DEAL EFFECTIVELY WITH CERTAIN INTRUSIONS OF FOREIGN BOYCOTTS INTO U.S. COMMERCE. TWO SPECIFIC OBJECTIVES, MET IN THE LAW, WERE TO APPLY STANDARDS OF CONDUCT FOR U.S. FIRMS WHICH CONFORM WITH WIDELY-HELD AMERICAN PRINCIPLES AND TO AVOID CONFRONTING ANY FOREIGN COUNTRIES WHICH MAY BE ENGAGING IN A BOYCOTT WITH REGARD TO THEIR SOVEREIGN RIGHT
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TO REGULATE THEIR OWN COMMERCE. THE TEXT OF THE PRESIDENT'S STATEMENT ON SIGNING OF THE NEW LEGISLATION IS BEING SENT TO YOU BY SEPARATE TELEGRAM.

2. THIS LEGISLATION IS THE RESULT OF AN INTENSIVE COOPERATIVE EFFORT OVER A PERIOD OF MONTHS BY THE CONGRESS, THE ADMINISTRATION, AND REPRESENTATIVES OF THE AMERICAN BUSINESS AND JEWISH COMMUNITIES. WE NOW HAVE A LAW WHICH IS A GOOD AND REASONABLE COMPROMISE OF VIEWS WHICH HAVE DIFFERED--SOMETIMES WIDELY--ON A NUMBER OF POINTS. THE NEW LAW SHOULD ENABLE US TO PRESERVE AND PROMOTE VERY IMPORTANT AMERICAN INTERESTS, BOTH DOMESTIC AND FOREIGN.

3. BUT FOR THE NEW LAW TO WORK TO BEST ADVANTAGE, WE WILL NEED A DIPLOMATIC EFFORT THAT WILL CALL FOR THE BEST SKILLS OF EACH OF YOU AND YOUR STAFFS. I KNOW THERE IS CONSIDERABLE SENSITIVITY AMONG ARAB COUNTRIES OVER THE PASSAGE OF NEW U.S. LEGISLATION REGARDING BOYCOTTS. WE NEED TO ENSURE THEIR PROPER UNDERSTANDING OF OUR NEW LAW. WE NEED TO CONVINCE THEM THAT, FAR FROM SEEKING CONFRONTATION, WE WISH TO CONTINUE AND TO EXPAND OUR TRADE WITH

THEM, AND THAT WE ARE CONFIDENT THIS CAN BE DONE, WITH
GOOD WILL ON BOTH SIDES, UNDER OUR NEW LEGISLATION.

4. AT THE SAME TIME, IT IS ESSENTIAL THAT THE BOYCOTTING
COUNTRIES HAVE NO DOUBT THAT THE U.S. GOVERNMENT REMAINS
FIRMLY COMMITTED TO DOING EVERYTHING IT CAN TO HELP BRING
ABOUT A JUST AND LASTING PEACE IN THE MIDDLE EAST. THE
NEW LEGISLATION IS IN NO WAY INCONSISTENT WITH THAT COMMIT-
MENT. AT THE PRESIDENT'S DIRECTION, I EXPECT AGAIN TO
RETURN TO THE MIDDLE EAST LATER THIS SUMMER IN ORDER TO
RENEW OUR CONTACTS AT THE HIGHEST LEVELS IN THE EFFORT TO
HELP THE ARAB COUNTRIES AND ISRAEL TAKE FURTHER MOVES
TOWARDS PEACE.

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5. AS YOU KNOW, ALTHOUGH THE NEW LEGISLATION IS NOW ON
THE BOOKS, THERE WILL BE A PERIOD OF 90 DAYS FOR THE
DEPARTMENT OF COMMERCE TO DRAFT REGULATIONS AND AN ADDI-
TIONAL 120 DAYS BEFORE THE REGULATIONS ARE ISSUED IN FINAL
FORM AND TAKE EFFECT.

WE HAVE SENT YOU A SERIES OF MESSAGES DESCRIBING THE
PROGRESS OF THE LEGISLATIVE EFFORT AND THE CONTENT OF THE
NEW LAW. WE HAVE DRAWN YOUR ATTENTION TO THE NEED FOR
PRAGMATIC ADAPTATION OF CERTAIN PRACTICES BY THE BOY-
COTTING COUNTRIES--AND WE WELCOME THOSE CHANGES WHICH HAVE
ALREADY BEEN MADE. IT IS ESSENTIAL IN THE MONTHS AHEAD
THAT WE MAKE THE MOST DETERMINED EFFORT TO GET THE BOY-
COTTING COUNTRIES TO MAKE THE FURTHER CHANGES WHICH ARE
NEEDED.

6. IN DEALING WITH THE BOYCOTT ISSUE, WE NEED TO GET
ACROSS TO HOST GOVERNMENTS THE IMPORTANCE WE ATTACH TO THE
MAINTENANCE AND STRENGTHENING OF OUR OVERALL RELATIONSHIPS.
IF THEY SEE THE PROBLEM IN THAT CONTEXT, WE WILL ALL BE
WELL SERVED. CHRISTOPHER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOBBYING, BOYCOTTS, LEGISLATIVE BILLS
Control Number: n/a
Copy: SINGLE
Sent Date: 23-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE146034
Document Source: CORE
Document Unique ID: 00
Drafter: SSOBER:BDF
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
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Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1977/newtext/t19770626/aaaaawpr.tel
Line Count: 156
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: dc01cf77-c288-dd11-92da-001cc4696bcc
Office: ORIGIN NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 STATE 142390
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2055628
Secure: OPEN
Status: NATIVE
Subject: DIPLOMATIC EFFORT ON NEW U.S. BOYCOTT LEGISLATION
TAGS: ETRD, PFOR, XF
To: ABU DHABI AMMAN MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/dc01cf77-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009